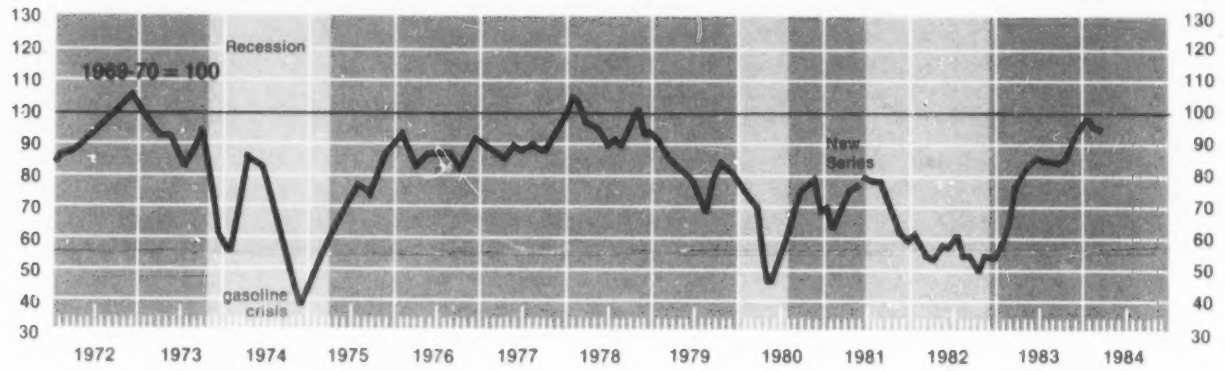
R4105 - 4A

Consumer Attitudes and Buying Plans

A Monthly Report from The Conference Board
Based on a Survey Conducted by NFO Research, Inc.

Consumer Confidence Index

April, 1984



CONFIDENCE AND PLANS TO BUY DOWN FRACTIONALLY

The Board's Consumer Confidence Index (1969-1970 = 100) inched off to 94.2 in March, for a loss of a point and a half. Although this represented the second consecutive month of decline, the aggregate loss to date is a relatively modest four points. Buying plans, which registered a small gain in February, edged down in March.

Consumers are increasingly positive in their assessment of present business and employment conditions. However, they are somewhat less optimistic than last time in their anticipation of events in the months ahead. Still, the general level of their expectations continues to be high.

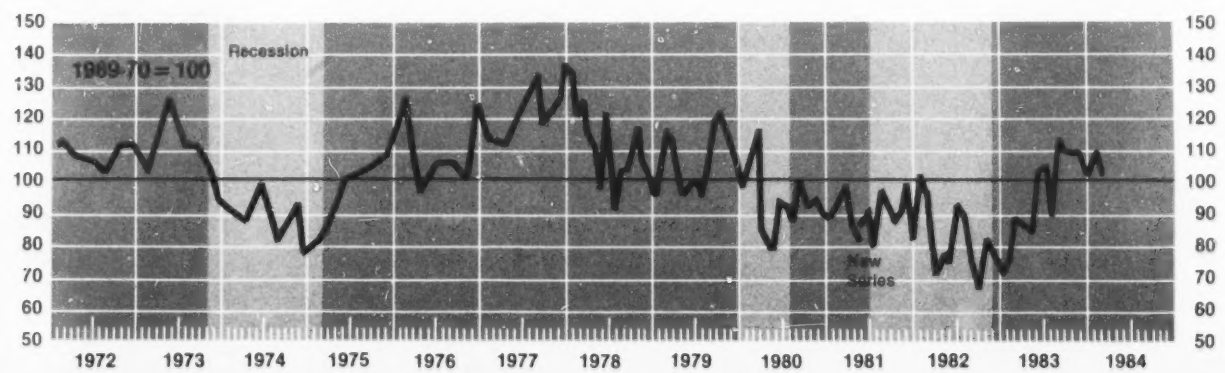
In the latest survey, the proportion of those expecting business conditions to improve dropped to 26.2%—a loss of two and a half points. The number who believe more jobs will become available was also down fractionally. There was also a decline last month in the number of those that expect their personal incomes to increase over the next six months. This measure has lost a good deal of ground since January.

Buying plans are off for all major categories of spending included in the survey. Plans to buy an automobile have skidded to 8.4% of all respondents from a prior 8.8 percent. Potential home buyers dropped to 3.3% from 3.8 percent. Interest in major appliances is also down, but only slightly.

All of the loss in the Confidence Index is to be attributed to the consumers' less optimistic view of the immediate future. However, the loss has been small. Consumer expectations, in fact, continue to be near record levels and some decline was inevitable. The particular timing may be attributed to the widely publicized sharp decrease in stock market prices. Also, as observed last month, as more consumers become satisfied with current conditions, fewer are inclined to expect that the economy will become increasingly better. But the general economic news remains good and, despite the recent small decline in the Confidence Index, the message from consumers continues to be "all is well."

Fabian Linden

Buying Plans Index



All data seasonally adjusted

Consumer Expectations and Intentions

Based on surveys conducted by NFO Research, Inc.

Percentage of all households = 100%

All series seasonally adjusted	1983 Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	1984 Jan	Feb (r)	Mar (p)
Composite Series: Index Numbers, 1969-1970 = 100													
Consumer Confidence Index	77.1	80.3	84.0	84.9	84.7	84.6	84.8	85.7	90.2	95.1	98.4	95.7	94.2
Present Situation	19.5	23.8	28.2	32.8	37.2	39.3	43.1	44.0	51.1	57.9	63.2	67.2	68.4
Expectations	115.5	117.9	121.2	119.6	116.3	114.8	112.6	113.5	116.2	119.9	121.9	114.6	111.5
Buying Plans Index	97.8	86.0	86.2	103.6	100.5	89.9	113.5	109.9	108.9	108.5	101.4	108.0	101.7
Appraisal of Present Situation: Percent													
Business Conditions													
Good	10.1	11.4	13.5	15.0	15.9	16.5	18.3	19.4	20.2	23.9	24.7	25.5	25.1
Bad	47.8	44.7	38.7	36.9	32.2	33.5	31.0	30.8	27.5	23.9	21.8	23.0	20.5
Normal	42.1	43.9	47.8	48.1	50.9	50.0	50.7	49.8	52.3	52.2	53.5	51.5	54.4
Employment													
Jobs plentiful	3.5	4.9	4.6	5.9	6.8	7.4	7.7	7.4	9.5	9.8	11.4	14.0	13.0
Jobs not so plentiful	42.2	41.7	44.1	45.5	45.9	48.6	48.5	49.3	50.4	51.2	50.4	49.6	51.7
Jobs hard to get	54.3	53.4	51.3	48.6	47.3	44.0	43.8	43.3	40.1	39.0	38.2	36.4	35.3
Expectations for Six Months Hence: Percent													
Business Conditions													
Better	39.2	38.9	39.1	37.6	36.6	32.7	30.1	30.1	31.2	32.8	33.1	28.7	26.2
Worse	7.1	6.2	4.8	5.3	6.6	6.6	6.8	6.7	6.1	5.2	3.9	5.8	6.2
Same	53.7	54.9	56.1	57.1	56.8	60.7	63.1	63.2	62.7	62.0	63.0	65.5	67.6
Employment													
More jobs	31.6	31.0	30.8	29.7	28.9	26.6	24.5	24.8	25.6	25.9	25.7	21.4	20.8
Fewer jobs	13.7	11.9	10.1	11.0	13.0	12.1	13.1	13.8	11.9	10.6	10.6	11.9	12.3
Same	54.7	57.1	59.1	59.3	58.1	61.3	62.4	61.4	62.5	63.5	63.7	66.7	66.9
Income													
Increase	24.8	26.6	25.9	26.0	28.7	26.0	28.3	31.1	28.3	31.1	32.4	27.3	25.5
Decrease	9.1	9.6	9.6	8.9	8.9	8.8	8.6	7.6	7.8	7.7	7.3	6.3	7.0
Same	66.1	63.8	64.5	65.1	62.4	65.2	63.1	61.3	63.9	61.2	60.3	66.4	67.5
Plans to Buy Within Six Months: Percent													
Automobile													
Yes	7.2	6.1	6.0	8.4	7.8	7.2	9.1	9.0	9.3	8.7	8.4	8.8	8.4
New	3.9	3.4	3.6	4.7	4.1	3.4	5.1	5.3	5.1	4.9	5.1	4.9	4.7
Used	2.8	2.4	2.1	2.2	2.7	2.4	3.6	3.3	3.4	3.3	2.5	3.4	2.9
Uncertain	0.5	0.3	0.3	1.5	1.0	1.4	0.4	0.4	0.8	0.5	0.8	0.5	0.8
Home													
Yes	2.7	3.1	2.8	3.4	3.3	3.0	3.8	3.6	3.6	3.6	3.4	3.8	3.3
New	0.6	0.6	0.8	1.0	1.1	0.8	1.3	1.0	1.2	1.2	1.0	0.9	0.8
Lived in	1.4	1.8	1.3	1.7	1.3	1.5	1.7	1.9	1.6	1.5	1.4	2.0	1.6
Uncertain	0.7	0.7	0.7	0.7	0.9	0.7	0.8	0.7	0.8	0.9	1.0	0.9	0.9
Major appliances													
Total plans	23.7	23.4	25.5	27.7	29.2	23.8	30.6	29.2	26.5	29.8	26.7	27.3	26.8
Refrigerator	3.3	3.9	3.8	3.3	4.7	3.4	4.1	3.4	3.5	3.7	3.2	3.6	3.6
Washing machine	2.7	2.9	3.2	4.3	3.5	2.7	4.0	3.3	3.6	3.6	3.4	4.0	3.8
Black and white TV	0.9	0.5	1.0	0.7	0.7	0.9	1.1	1.0	0.7	1.2	0.9	0.8	0.8
Color TV	6.5	6.1	7.4	8.1	7.6	6.1	8.2	8.0	7.5	8.2	7.8	7.0	7.4
Vacuum Cleaner	4.3	4.2	3.9	4.6	5.0	4.1	5.2	5.6	4.4	5.2	4.1	4.8	4.0
Range	2.2	2.4	2.2	2.6	2.8	2.3	2.6	2.6	2.4	2.7	2.6	2.6	2.8
Clothes dryer	2.5	2.3	2.8	2.8	3.4	2.8	3.1	3.1	2.7	3.3	2.8	2.9	2.5
Air conditioner	1.3	1.1	1.2	1.3	1.5	1.5	2.3	2.2	1.7	1.9	1.9	1.6	1.9
Carpet	7.2	6.7	6.9	7.3	6.7	6.9	8.2	7.1	8.1	7.4	6.5	7.3	7.4
Vacation Intended Within Six Months: Percent													
Vacation Intended		43.4		48.1		47.2		49.8		48.5		45.8	
Destination													
Home state		8.4		9.2		9.9		10.5		10.3		8.8	
Other state		30.9		34.2		32.8		33.5		33.4		32.0	
Foreign country		5.7		6.6		6.2		7.0		6.5		6.2	
Means of Travel													
Automobile		28.0		32.5		31.5		31.3		30.4		29.9	
Airplane		15.2		17.1		15.5		17.1		17.9		15.4	
Other		3.2		4.3		3.6		4.1		3.6		3.5	

New Series: Beginning May, 1981 the NFO sample includes all types of households, prior to that families only. To link results overlapping surveys were conducted for four months commencing with May. Data are available on request.

(p)—preliminary (r)—revised

Please Note: In the interest of speeding the data contained in this publication to you, these series are now available on-line through The Conference Board Data Base. For more information, contact Linette Stein Waters at (212) 759-0900.